

## Maine Revised Statutes

### Title 36: TAXATION

#### Chapter 915: REIMBURSEMENT FOR TAXES PAID ON CERTAIN BUSINESS PROPERTY HEADING: PL 1995, c. 368, Pt. FFF, §2 (new)

##### §6652. REIMBURSEMENT ALLOWED; LIMITATION

**1. Generally.** A person against whom taxes have been assessed pursuant to Part 2, except for chapters 111 and 112, with respect to eligible property and who has paid those taxes is entitled to reimbursement of a portion of those taxes from the State as provided in this chapter. The reimbursement under this chapter is the percentage of the taxes assessed and paid with respect to eligible property specified in subsection 4. For purposes of this chapter, a tax applied as a credit against a tax assessed pursuant to chapter 111 or 112 is a tax assessed pursuant to chapter 111 or 112. A taxpayer that included eligible property in its investment credit base under section 5219-M and claimed the credit provided in section 5219-M on its income tax return may not be reimbursed under this chapter for taxes assessed on that same eligible property in a year in which that credit is taken. A successor in interest of a person against whom taxes have been assessed with respect to eligible property is entitled to reimbursement pursuant to this section, whether the tax was paid by the person assessed or by the successor, as long as a transfer of the property in question to the successor has occurred and the successor is the owner of the property as of August 1st of the year in which a claim for reimbursement may be filed pursuant to section 6654. For purposes of this subsection, "successor in interest" includes the initial successor and any subsequent successor. When an eligible successor in interest exists, the successor is the only person to whom reimbursement under this chapter may be made with respect to the transferred property. For an item of eligible property that is first subject to assessment under Part 2 on or after April 1, 2008, and for any item of eligible property for which reimbursement is paid under subsection 4, paragraph B, the reimbursement otherwise payable under this section may not exceed the actual property taxes paid less any tax increment financing refund received with respect to that property.

[ 2009, c. 496, §27 (AMD) .]

**1-A. Certain persons excluded.** Notwithstanding any other provision of law, the following persons are not eligible for reimbursement pursuant to this chapter:

A. A public utility as defined by Title 35-A, section 102; [1997, c. 24, Pt. C, §14 (NEW) .]

B. A person that provides radio paging services as defined by Title 35-A, section 102; [1997, c. 24, Pt. C, §14 (NEW) .]

C. A person that provides mobile telecommunications services as defined by Title 35-A, section 102; [1997, c. 24, Pt. C, §14 (NEW) .]

D. A cable television company as defined by Title 30-A, section 2001; [1997, c. 24, Pt. C, §14 (NEW) .]

E. A person that provides satellite-based direct television broadcast services; and [1997, c. 24, Pt. C, §14 (NEW) .]

F. A person that provides multichannel, multipoint television distribution services. [1997, c. 24, Pt. C, §14 (NEW) .]

This subsection applies retroactively to property tax years beginning after April 1, 1995.

[ 1997, c. 24, Pt. C, §14 (NEW) .]

**1-B. Certain property excluded.** Notwithstanding any other provision of law, reimbursement pursuant to this chapter may not be made with respect to the following property:

- A. Office furniture, including, without limitation, tables, chairs, desks, bookcases, filing cabinets and modular office partitions; [2003, c. 625, §1 (AMD); 2003, c. 625, §3 (AFF); 2003, c. 687, Pt. A, §10 (AMD); 2003, c. 687, Pt. B, §11 (AFF).]
- B. Lamps and lighting fixtures; [2009, c. 571, Pt. II, §2 (AMD); 2009, c. 571, Pt. II, §5 (AFF).]
- C. Gambling machines or devices, including any device, machine, paraphernalia or equipment that is used or usable in the playing phases of any gambling activity as that term is defined in Title 8, section 1001, subsection 15, whether that activity consists of gambling between persons or gambling by a person involving the playing of a machine. "Gambling machines or devices" includes, without limitation:
  - (1) Associated equipment as defined in Title 8, section 1001, subsection 2;
  - (2) Computer equipment used directly and primarily in the operation of a slot machine as defined in Title 8, section 1001, subsection 39;
  - (3) An electronic video machine as defined in Title 17, section 1831, subsection 4;
  - (4) Equipment used in the playing phases of lottery schemes; and
  - (5) Repair and replacement parts of a gambling machine or device; or [2009, c. 571, Pt. II, §3 (AMD); 2009, c. 571, Pt. II, §5 (AFF).]
- D. Personal property that would otherwise be entitled to reimbursement under this chapter used primarily to support a telecommunications antenna used by a telecommunications business subject to the tax imposed by section 457. [2009, c. 571, Pt. II, §4 (NEW); 2009, c. 571, Pt. II, §5 (AFF).]

Property affected by this subsection that was eligible for reimbursement pursuant to this chapter of property taxes paid for the 1996 property tax year is grandfathered into the program and continues to be eligible for reimbursements unless it subsequently becomes ineligible.

[ 2011, c. 240, §43 (AMD) .]

**1-C. Certain energy facilities.** Reimbursement for certain energy facilities under this chapter is limited as follows.

- A. Reimbursement may not be made for a natural gas pipeline, including pumping or compression stations, storage depots and appurtenant facilities used in the transportation, delivery or sale of natural gas, but not including a pipeline that is less than a mile in length and is owned by a consumer of natural gas delivered through the pipeline. [1997, c. 729, Pt. B, §2 (NEW).]
- B. Except as provided in paragraph C, reimbursement may not be made for property used to produce or transmit energy primarily for sale. Energy is primarily for sale if during the property tax year immediately preceding the property tax year for which a claim is being made 2/3 or more of the useful energy is directly or indirectly sold and transmitted through the facilities of a transmission and distribution utility as defined in Title 35-A, section 102, subsection 20-B. [2001, c. 396, §47 (AMD) .]
- C. A cogeneration facility is eligible for reimbursement on that portion of property taxes paid multiplied by a fraction, the numerator of which is the total amount of useful energy produced by the facility during the property tax year immediately preceding the property tax year for which a claim is being made that is directly used by a manufacturing facility without transmission over the facilities of a transmission and distribution utility as defined in Title 35-A, section 102, subsection 20-B and the denominator of which is the total amount of useful energy produced by the facility during the property tax year immediately preceding the property tax year for which a claim is being made. [2001, c. 396, §47 (AMD) .]

D. For purposes of this subsection, unless the context indicates otherwise, the following terms have the following meanings.

(1) "Cogeneration facility" means the eligible property within a facility that produces electrical energy, thermal energy or both for commercial or industrial use when less than 2/3 of the useful energy produced by the facility during the property tax year is sold and transmitted directly or indirectly through the facilities of a transmission and distribution utility, as defined in Title 35-A, section 102, subsection 20-B. "Cogeneration facility" includes eligible property within a heat recovery steam generator.

(2) "Useful energy" is energy in any form that does not include waste heat, efficiency losses, line losses or other energy dissipation. [1999, c. 398, Pt. A, §103 (AMD); 1999, c. 398, Pt. A, §§104, 105 (AFF).]

[ 2001, c. 396, §47 (AMD) .]

**1-D. Retail sales facilities.** Reimbursement pursuant to this chapter may not be made with respect to property that is located in a retail sales facility exceeding 100,000 square feet of interior customer selling space and used primarily in a retail sales activity, unless the facility is owned by a business whose Maine-based operation derives less than 50% of its total annual revenue on a calendar-year basis from sales that are subject to Maine sales tax. This subsection applies to property tax years beginning after April 1, 2006. Property affected by this subsection that was eligible for reimbursement pursuant to this chapter for property taxes paid for the 2006 property tax year is grandfathered into the program and continues to be eligible for reimbursement to the extent permitted by this chapter as it existed on April 1, 2006, unless that property subsequently becomes ineligible.

[ 2005, c. 12, Pt. BBB, §2 (NEW); 2005, c. 12, Pt. BBB, §6 (AFF) .]

**2. Limitation.** Reimbursement may not be made by the State Tax Assessor pursuant to this chapter with respect to the payment of taxes assessed against property that is entitled to exemption pursuant to section 656, subsection 1, paragraph E or any other provision of law except that reimbursement must be made with respect to the payment of taxes assessed against property that has not been certified for exemption pursuant to section 656, subsection 1, paragraph E but that is entitled to exemption pursuant to that provision if that property has been placed in service after the December 1st immediately preceding April 1st of the tax year for which reimbursement is sought but prior to April 1st of the property tax year for which reimbursement is sought. The claimant may seek reconsideration, pursuant to section 151, of the assessor's denial of reimbursement under this subsection. If the assessor denies a reimbursement claim on the ground that the property in question is entitled to exemption under section 656, subsection 1, paragraph E and the claimant seeks reconsideration of the denial, the assessor shall, at the claimant's request, allow the claimant up to one year to obtain a statement from the Commissioner of Environmental Protection that the property at issue is not exempt. If the claimant timely produces such a statement or otherwise demonstrates that the property is not exempt, the assessor shall allow the reimbursement.

[ 1999, c. 398, Pt. A, §103 (AMD); 1999, c. 398, Pt. A, §§104, 105 (AFF) .]

### **3. Withholding for failure to report.**

[ 2009, c. 337, §10 (RP) .]

**4. Reimbursement percentage.** The reimbursement under this chapter is an amount equal to the percentage specified in paragraphs A and B of taxes assessed and paid with respect to each item of eligible property, except that for claims filed for application periods that begin on August 1, 2006, August 1, 2009, August 1, 2010 or August 1, 2013 the reimbursement is 90% of that amount and for claims filed for the application period that begins on August 1, 2014, the reimbursement is 80% of that amount.

A. For each of the first to 12th years for which reimbursement is made, the percentage is 100%.  
[2005, c. 623, §5 (NEW).]

B. Pursuant to section 699, subsection 2, reimbursement under this chapter after the 12th year for which reimbursement is made is according to the following percentages of taxes assessed and paid with respect to each item of eligible property.

- (1) For the 13th year for which reimbursement is made, the percentage is 75%.
- (2) For the 14th year for which reimbursement is made, the percentage is 70%.
- (3) For the 15th year for which reimbursement is made, the percentage is 65%.
- (4) For the 16th year for which reimbursement is made, the percentage is 60%.
- (5) For the 17th year for which reimbursement is made, the percentage is 55%.
- (6) For the 18th year for which reimbursement is made and for subsequent years, the percentage is 50%. [2005, c. 623, §5 (NEW).]

[ 2013, c. 368, Pt. K, §1 (AMD) .]

#### SECTION HISTORY

1995, c. 368, §FFF2 (NEW). 1995, c. 639, §34 (AMD). 1995, c. 639, §35 (AFF). 1997, c. 24, §C14 (AMD). 1997, c. 729, §§B1,2 (AMD). 1999, c. 398, §A103 (AMD). 1999, c. 398, §§A104,105 (AFF). 1999, c. 768, §6 (AMD). 2001, c. 396, §§45-47 (AMD). 2003, c. 391, §12 (AMD). 2003, c. 625, §§1,2 (AMD). 2003, c. 625, §3 (AFF). 2003, c. 687, §§A10,11 (AMD). 2003, c. 687, §B11 (AFF). 2005, c. 12, §BBB2 (AMD). 2005, c. 12, §BBB6 (AFF). 2005, c. 218, §61 (AMD). 2005, c. 218, §63 (AFF). 2005, c. 457, §BBB1 (AMD). 2005, c. 618, §19 (AMD). 2005, c. 623, §§3-5 (AMD). 2007, c. 438, §114 (AMD). 2009, c. 213, Pt. U, §1 (AMD). 2009, c. 337, §10 (AMD). 2009, c. 487, Pt. B, §15 (AMD). 2009, c. 496, §§27, 28 (AMD). 2009, c. 571, Pt. II, §§2-4 (AMD). 2009, c. 571, Pt. II, §5 (AFF). 2011, c. 240, §43 (AMD). 2013, c. 368, Pt. K, §1 (AMD).

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